

VZCZCXR04145  
PP RUEHIK  
DE RUEHAA #0162 0331316  
ZNR UUUUU ZZH  
P 021316Z FEB 10  
FM AMEMBASSY ASHGABAT  
TO RUEHC/SECSTATE WASHDC 4182  
INFO RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY  
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY  
RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE  
RUCNCIS/CIS COLLECTIVE  
RUCNMEM/EU MEMBER STATES COLLECTIVE  
RUEHAK/AMEMBASSY ANKARA 6211  
RUEHBJ/AMEMBASSY BEIJING 3889  
RUEHKO/AMEMBASSY TOKYO 3748  
RUEHIT/AMCONSUL ISTANBUL 4455  
RUCNDT/USMISSION USUN NEW YORK 1461  
RHMCSSU/CDR USCENTCOM MACDILL AFB FL  
RUEHVEN/USMISSION USOSCE 4364  
RUEAIIA/CIA WASHDC  
RHEFDIA/DIA WASHDC  
RHEHNSC/NSC WASHDC  
RUEKJCS/SECDEF WASHDC  
RUEKJCS/JOINT STAFF WASHDC

UNCLAS ASHGABAT 000162

SENSITIVE

SIPDIS

STATE FOR SCA/CEN; EEB;  
ENERGY FOR EKIMOFF/BURPOE/COHEN  
COMMERCE FOR EHOUSE/DSTARKS

E.O. 12958: N/A  
TAGS: EPET PGOV EINV CH TX  
SUBJECT: TURKMEN GAS HITS BEIJING

REF: ASHGABAT 35

¶1. (U) Sensitive but unclassified. Not for public Internet.

¶2. (U) On January 30, the Government-owned newspaper "Neutral Turkmenistan" published an article entitled "Turkmen Gas Has Reached Beijing." The article cites various Chinese media outlets as stating that the Chinese National Petroleum Corporation (CNPC) began pumping Turkmen gas from the Horgos station at the Kazakh-Chinese border to the Jingbian station via the newly-built western segment of the Second West-East gas pipeline and that the gas had successfully reached Beijing through the Shaan - Jing gas pipeline. Both the Second West-East and the Shaan - Jing pipelines are located inside China and are part of the Chinese gas transportation system, designed to transport Turkmen gas from the Central Asia - China gas pipeline to central and eastern parts of China (reftel).

¶3. (SBU) The Turkmen press article emphasized that Turkmen gas exports will help CNPC tackle a sharp increase in gas demand for Beijing and other parts of the country, brought on by an extremely cold winter. It also indicated that the current Turkmen gas inflow rate into China is 6.6 million cubic meters per day. It should be noted that the article does not cite any sources from the Turkmen oil and gas industry.

¶4. (SBU) According to a Turkmen Oil and Gas Ministry official, the Ministry does not generally follow developments concerning Turkmen gas to China, as it is "not concerned about the fate of Turkmen gas after it crosses the Turkmen border." She also commented on volumes of gas to China, pointing out that volumes should reach about 10 million cubic meters per day by the end of 2010, bringing the total volume of gas exports for 2010 to 3-3.5 billion cubic meters (bcm). She added that, despite an overall global drop in demand for gas, CNPC is ramping up its gas transportation infrastructure inside of China to accommodate Turkmen gas imported through the Central Asia - China gas pipeline.

¶5. (SBU) COMMENT: The Turkmen press confirmed that Turkmen gas has finally reached China, a source of great pride for the Turkmen.

Turkmenistan hopes to increase gas exports to China to up to 40 bcm per year by 2014. If gas demand in China continues to incline steadily, as predicted, the Chinese are likely to need every molecule of gas Turkmenistan has to offer. END COMMENT.

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